

UOB Business Outlook Study 2024



(SMEs & Large Enterprises)

UOB conducted a Business Outlook Study in Malaysia covering 525 business owners and key executives from SMEs and Large Enterprises.

The Business Outlook Study provides a comprehensive understanding of the current business sentiment, inflation impact and outlook among businesses across various sectors in Malaysia.

By capturing robust insights around key themes such as Overseas Expansion, Supply Chain Management, Digitalisation, and Sustainability, this study can help Malaysia businesses better understand the current environment they are operating in and plan for future opportunities and challenges.



Malaysia

▶ WHAT



15-minute online survey



Total of 525 interviews



Data collection:
Late-December 2023 to mid-January 2024

▶ WHO



Businesses with revenue up to RM 900 million



Covers both SMEs and Large Enterprises across key industry verticals



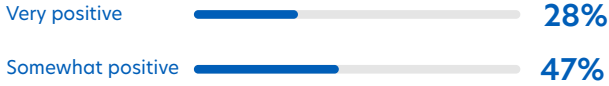
Owners/C-suite/Management level who are involved with business decision making



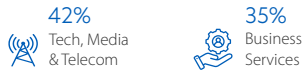
Classification of businesses:
Small Enterprises - annual turnover of <RM 30m
Medium Enterprises - annual turnover of RM 30m to <900m

| Industries | Sample |
|-------------------------------|--------|
| Consumer Goods | 68 |
| Construction & Infrastructure | 66 |
| Manufacturing & Engineering | 60 |
| Community & Personal | 60 |
| Tech, Media & Telecom | 59 |
| Business Services | 51 |
| Professional Services | 50 |
| Real Estate & Hospitality | 50 |
| Industrials, Oil & Gas | 31 |
| Wholesale Trade | 30 |
| Total | 525 |

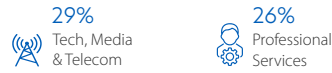
Business sentiment



Most positive sectors



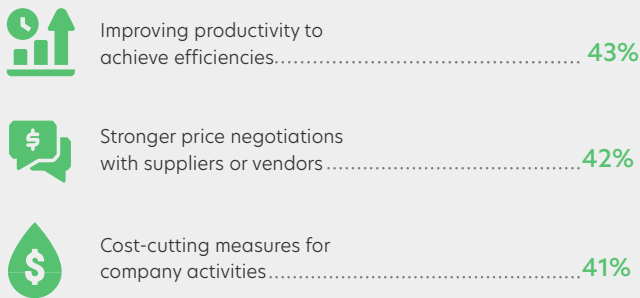
Most improved sectors



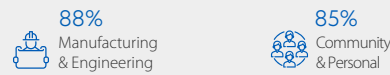
Inflation and its impact



Ways to combat inflation



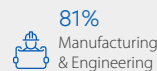
Most affected sectors



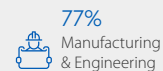
Areas affected by inflation



Most impacted by increase in cost of operations



Most impacted by increase in cost of raw materials



Overseas expansion interest



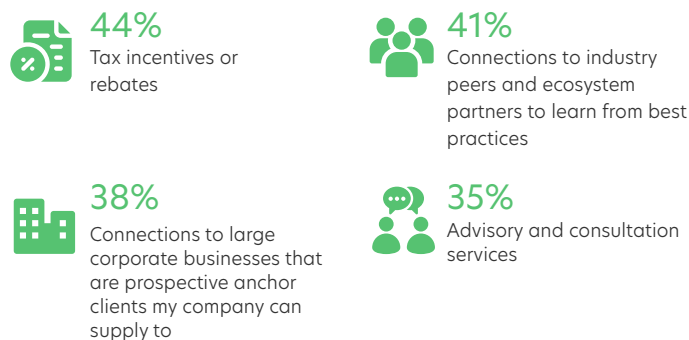
Most interested sectors



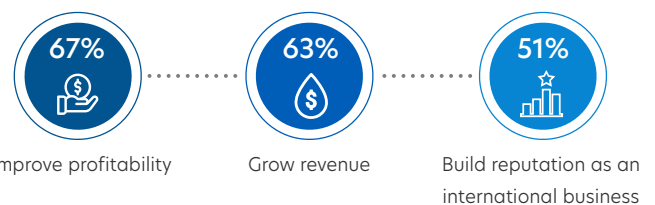
Least interested sectors



Support measures for overseas expansion



Key motivators for overseas expansion



► Supply Chain Management (SCM) and its challenges

 Nearly **1 in 2** businesses in Malaysia claim current geopolitical tensions impacted their supply chain.

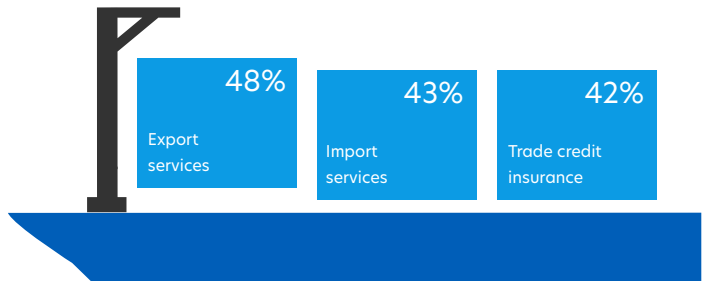
Most impacted sectors



Challenges faced by businesses



Key trading needs among businesses

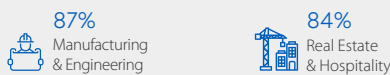


► Digital adoption

Current state

 Nearly **4 in 5** businesses in Malaysia have digitalised one or more departments.

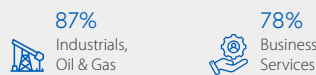
Most digitalised sectors



Expected spending in 2024

 Over **7 in 10** businesses expect to spend more on digitalisation in 2024, with most budgeting an increase of 10% to 25%.

Higher spending sectors



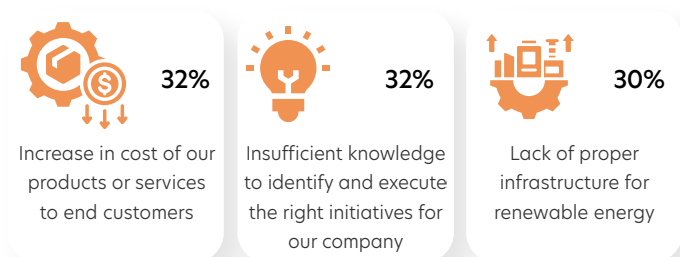
► Sustainability adoption

 Over **4 in 5** businesses in Malaysia believe sustainability is important to their business. Yet, adoption level has remained stagnant since 2022.

Higher adoption sectors



Challenges faced by businesses



Support measures to drive sustainability adoption

